

NOTICE OF INTENT

Office of the Governor Office of Financial Institutions

Third-Party Solicitor Exemptions
(LAC 10:XIII.1301 and 1311)

In accordance with the Louisiana Securities Law, R.S.51:701 et seq., and particularly, R.S.51:703(D)(2)(a), and the Louisiana Administrative Procedure Act, R.S.49:950 et seq., the Commissioner of the Office of Financial Institutions hereby gives his Notice of Intent to amend LAC 10:XIII.1301 and 1311 to provide an exemption for Third-Party Solicitors from the examination requirements established in LAC 10:XIII, Chapter 13.

Title 10

FINANCIAL INSTITUTIONS, CONSUMER CREDIT, INVESTMENT SECURITIES AND UCC

Part XIII. Investment Securities

Subpart 1. Securities

Chapter 13. Investment Adviser Registration Procedure

§1301. Definitions

A. ...

B. *Third-Party Solicitor*—an investment adviser representative who meets all of the following criteria:

1. investment advisory business consists solely of referring individuals to other investment adviser firm(s);
2. provides no advice to individuals regarding specific investments;
3. fees consist entirely of referral fees received from the investment adviser firms to whom the investment adviser representative makes referrals.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:703(D)(2)(a).

HISTORICAL NOTE: Promulgated by the Office of the Governor, Office of Financial Institutions, LR 32:2055 (November 2006), effective January 1, 2007, amended LR 34:

§1311. Exemptions

A. ...

B. The requirements of this rule shall not apply to third-party solicitors.

AUTHORITY NOTE: Promulgated in accordance with R.S.51:703(D)(2)(a).

HISTORICAL NOTE: Promulgated by the Office of the Governor, Office of Financial Institutions, LR 32:2056 (November 2006), effective January 1, 2007, amended LR 34:

Family Impact Statement

Pursuant to R.S.49:972, and prior to amendment of the proposed Rule LAC:XIII.1301 and 1311, Third-Party Solicitor Exemption, the Office of Financial Institutions considered the impact of the proposed Rule, and found that the proposed Rule, if adopted, would have no effect on the stability of or the functioning of the family, the authority and rights of parents regarding the education and supervision of their children, family earnings and family budget, the behavior and personal responsibility of children, or the ability of the family or a local government to perform the function as contained in the proposed Rule.

All interested persons are invited to submit written comments on this proposed Rule, no later than 4:30 p.m., July 10, 2008, to Rhonda Reeves, Deputy Commissioner of Securities, P.O. Box 94095, Baton Rouge, LA, 70804-9095, or by hand delivery to the Office of Financial Institutions,

8660 United Plaza Boulevard, Second Floor, Baton Rouge, LA 70809-7024.

John Ducrest
Commissioner

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: Third-Party Solicitor Exemptions

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

The proposed rule amendment will have no implementation costs or savings to the state of Louisiana or any other governmental unit.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The proposed rule amendment will have no effect on revenue collections for the state of Louisiana or any other governmental unit.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

The proposed amendment to the Investment Adviser Registration Procedure rule provides an exemption from the examination/certification requirements for investment adviser representatives that act solely as third-party solicitors (as defined). This will provide an economic benefit to these individuals since they will not have to take an examination or obtain a certification, which can cost between \$120 and \$1,000. The proposed amendment may have a negative impact on the organizations that issue the certifications, since these fees will not be paid to them. However, this impact will be minimal since there are only approximately 10 third-party solicitors in the state.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed rule amendment is not expected to have any impact on competition and employment in the public or private sector.

John Ducrest, CPA
Commissioner
0806#051

H. Gordon Monk
Legislative Fiscal Officer
Legislative Fiscal Office